195?. **File No.** L.B.B 1152

B CLASS. W. **DEPARTMENT**

K **BRANCH**

Subject:— The Amalgamated El. supply Co. L.T.D.
(Belgaum Br.)
Annual Accounts
-50-51

B.U.) 1152

File No. LBB 1152 | K

Ltd. Scott. Bldg. 21 Bo...

G. R., G. D., No. 2408, dated 22-6-22.]

Form 254-B

DOCKET SHEET (B)

Subject:— The Amalgamated Electricity Company, Belgaum Branch, Ltd. Accounts for the year ended 31-3-1951.

File No. LBB 1152.

Public Works DEPT.

K. BRANCH.

References:-

Date.	To whom sent.	Notes and instructions.

Report on the examination and audit of the annual statements of Accounts prescribed under the Indian Electricity Rules 1937 of the Belgaum Electric Supply Co. Ltd. for the year ending 31.3.51.

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The examination and audit of the annual statements of accounts of the Belgaum Electric SupplyCo.Ltd. for the year ending 31.3.51 was carried out at the registered office of the Co. at Bombay. Statements I to IX and the statement of Financial and Technical data are appended to this report.

Previous audit

2. (a) Audit report for 49-50. In this connection a reference is invited to this office U.O.No.OA. 1910 dt.14-5-52

Current Audit (b) Share Capital - The amount of paid up share capital allocated to the Belgaum License (at Re.0.578 per rupee) upto the end of the year was Rs.1227500 and was made up of Rs.360,900 as preference share capital and Rs.866,600 as ordinary share capital. It is the same as it was in the last year.

(c) Loan capital - The total amount of the secured loan raised by the Amalgamated Electricity Co.(Belgaum) Ltd. was Rs.156257-12-0 at the end of the year out of which Rs.77522/- were allocated as share of Belgaum License.

3. Statement III - Capital accounts - (i) As stated in the previous report the Co. has omitted from statement III Capital Account Hiring Installation (Refrigerators).

ii) The Co. has also omitted premium on shares on the ground that it does not pertain to the licensees' undertaking. In this connection a reference is invited to para 2(b) above. (X)

iii) The additions to transformers viz.Rs.11636 mainly consists of the instalation of transformers at Thalakwadi sub station and City sub station. of 100 K.V.A. each and are transferred at Bogorwas of 70 K.V.A. It is seen that an amount of Rs.1261-5-0 has been debited to the Capital account of Transformers being the supervision charges of the Electrical Engineer.

iv) Plant capital Account - Out of the total additions viz. Rs.2736-3-0 an amount of Rs.1052-4-0 is on account of interest on advances charged to that account. The basis on which the interest has been charged to capital account is not clear when the additions during the year excluding interest and supervision charges (Rs.183) amount only to Rs.1500/15/-. It may also be pointed out that the sum appears to represent amount paid on account of cash credit obtained from Bank of India. Under para XVII (6)(b) of the Sixth Schedule interest charges on capital expenditure incurred from borrowed money and properly attributable to the asset can be treated as part of the original cost. The procedure followed by the Co. does not seem to be in conformity with para XVII(6)(b). The Co. may therefore be asked to justify the procedure to carry out the necessary adjustments in the accounts.

v) Motor car and bicycles - The additions to motor car and bicycle consists of purchase of 2 motor cycles 150 c.c. two stroke in Feb.51 cost Rs 1841-3-0 and Rs 1841-4-0 (total 3682-7-0) for the use of chargemen and Asstt.Electrical Engineer. The reduction of Rs.3851-13-6 represents transfer of a motor cycle with side car to the Bulsar Electric (Supply)Co.Ltd.

vi) Service Capital Account - An amount of Rs.570 being the inspection fees paid to Govt.Inspectors has been debited to the Capital account of the service lines. The expenditure is a normal expenditure of the business of the Co. and should have been debited to the revenue account of the business. The Co. may be asked to follow the correct procedure and make the necessary correction in the account or to justify the debit to capital account.

vii) Adjustment of Rs.1655-15-0 from the Misc.Plant and Machinery account.

a) Out of the above amount of Rs.1655-15-0 an amount of Rs.299-7-0 representing the cost of various articles mentioned in the margin has been written off by debit to the repairs accounts, Generation expenses and motor car expenses account. As these items were included in the Misc.Plant and Machinery and depreciation has been charged on these articles from year to year, it is not correct to debit these items to the repairs etc. account but the loss after debit to the depreciation fund account to the extent of depreciation accrued on them. should be debited to obsolete on assets account to be debited to contingence Reserve according to para VII(3).

(X) The percentage of turnover to tal capital exp is 36.16.
The expenditure per KVA of plant installed come to about Rs 148.

Details.	Pice	Amount Rs.As.	Head of A/c Debited.
Sept .'32 Pliers	1	12. 0.0	Service & Repairs.
June'47 Insulated Pliers 8"	1	12. 6.0	Meters & Repairs.
June 47 -do- 10"	1	12. 6.0	-do-
May '49 -do- 10"	2	38. 3.0	-do-
June 49 -do-	1	19. 1.0	Service Repairs.
.do. Bamboo ladders	7	72.14.0	Mains Repairs.
Sept.49 Bolosicated glass thermometer 0/1000o F	1	92.10.0	General expenses.
Oct.'49 Three cell torch	1	15. 8.0	Service Repairs.
March 50 -do-	1	15. 7.0	General expenses.
Feb.'50 Lock	1	9. 0.0	Motor car.
		299. 7.0	

J.V.No.187

Service Repairs	46.9.0
Meters .do.	12. 6.0
Mains .do.	123. 7.0
Gen expaeses	108. 1.0
Mot r "	9. 0.0
to Plant and Machinery	299. 7.0

The amount of Rs.299../.0 has,therefore been excluded from operating exp-enses. An amount of Rs.12.8.0 was writtenoff to generation expenses by credit to Plant and Machinery.Similary an amount of Rs.1,300 being the cost of one "Dobli Inus presure indicator Diagram in trument" was debited to the Ajmer .Electric Co.in Sept.50 by credit to Misc.Plant and Machinery Account and the cost of articles mentioned in the margin# wasdebited to t the Bulsar Branch by credit to the Belgaum Branch.In the case of these articles the original cost of the asset and depreciation provided thereon,the year of purchase,may be stated and the procedure prescribed in para VII(3) or IX of the sixth schedule may please be followed.

# Details	Rs
Catipos Inside (1)	17. 0.0
.do. Outside (1)	17. 0.0
Compass 1 Ft. (1)	10.0.0
	44. 0.0

4. Statement IV : - Working Expenses :-

(i)The working expenses excluding depreciation,provision for Reserve etc.under the various head together with the cost per unit generated during the years 1949-50 and 1950 -51 are given below :-

	1949-50 Amount Rs	1949-50 Cost per unit generated in annas.	1950-51 Amount Rs	1950-51 Cost per unit generated in ans.
Fuel	1,16,682	0.89	1,62,588	1.07
Oil,waste and water	19,923	0.15	25,410	0.17
Wages and Salaries	53,334	0.46	53,893	0.36
Repairs and Maintenance	30,812	0.20	20,322	0.13
Rent,rates & taxes	1,815	0.01	2,121	0.01
Agents' commission	23,280	0.18	28,293	0.18
General expenses (Management)	70,159	0.53	77,357	0.51
	316,005	2.42	369,984	2.43
Units generated	21,02,352		24,26,485	

(ii)In statement No.IV,the Co,has shown an amount of Rs.74,438.14.9 under the head " B.Distribution" as expenses of general nature,pertain--ing to sale of energy.This amount includes salaries and wages,expendi--ture on printing and stationery and other expenses of general nature(as detailed in the margin##)which should have been classified under "Management" in statement No.IV as pointed out ~~in the previous year~~ in the A.R.for 1949-50. In this connection please see remarks in para 2 above. ~~The Co.maybe asked to follow the correct procedure.~~

Details of the Expenditure debited to #Expenses pertaining to sale of energy(##)	as per
Salaries and wages	45,849.11.3
Brokerage	200.12.0
Sundry	1,045.14.3
Motor car	798. 9.3
Telephone	421. 9.6
Post & Telegrams	633.15.9
Printing & Stationery	4,301.10.0
Distribution & Sale of energy	2,268.15.0
Gratuity	10,000.0.0
Agents Gen. Charges	37.3.6.
	74,438.14.9

The expenditure has been included under para XVII(2)(~~x~~)(xi) provisionally. Under para XVII(2)(b)(~~xx~~ ix) expenditure on management is to be excluded from operating expenditure for the purpose of ~~xx~~ calculating office allowances.If the above items were preperly classified under Management the operating ~~expenditure~~ expenditure would have been reduced to this extent and it would have resulted in reduction~~x~~ of the office allowance as well.

(iii) The increase of expenditure under the sub-head management and general charges was due to the contribution for the provision of gratuity scheme for Rs.10.000 as against Rs.7,436 for the previous year.

(iv)The General charges Rs.8,880.10.3 includes an amount of Rs. 1,833.14.6 on account of purchases of ~~fur~~ fruits and Rs.80/- for pooja and other general items and the sundry expenses representing.....

representing entertainment charges of Rs.1,045.14.3. These items do not arise from and are not ancillary or incidental to the business of the Electricity Supply .They have been omitted from the operating expenditure as inadmissible expenditure (vide item 2(xi) of para XVII(2)(b) of the sixth schedule to the Indian Electricity(Supply) Act '48.

(v)The expenditure on repairs and maintenance includes an amount of Rs. 9,497 on account of salaries and wages debited to that account.

5. Statement IV :- Revenue Accounts :-

The receipts during 1949-50 and 1950-51 and the number of units of electri -city sold to various classes of consumers together with the average sale price realised are compared below :-

Items.	1949-50 Units sold	1949-50 Amount Rs.	1949-50 Price per unit in annas.	1950-51 Units sold	1950-51 Amount Rs.	1950-51 Price per unit in annas.
Lights and fans	516,149	212,203	6.58	670,101	295,357	7.05
Power	730,494	86,954	1.90	793,716	102,717	2.07
Special contracts	417,188	76,962	2.90	461,825	88,313	3.06
Public lamps	69,110	22,179	5.13	75,839	24,481	5.20
Total	1,732,941	398,298	3.67	2,001,481	510,868	4.08
Meter rent		9,721			11,967	
Service connection		1,567			4,520	
Miscellaneous		1,917			2,812	
		411,503			530,167	

6. Statement IV : General Remarks :-

The Co.has omitted from statement IV Revenue Account the following items of receipt and expenditure as not pertaining to licensee's Undertaking :-

	Rs as Ps
Receipts :	
Rental charges on Refrigerators	1,562. 7.9
Charges for renewal of Refrigerators	3. 0.0
Profit in sale of stores and refrigerators	2,124.11.3
Expenditure :	
Repairs to Hiring installations	540. 0.0
Depreciation on Hiring installation	338. 0.0

As regards profit on sale of stores the Co. may be asked to debit expenditure incurred on stores staff etc. to the account of stores which are considered to be not forming part of the Licensee's Undertaking and to show the transactions pertaining to these items separately in the accounts and in the Balance sheet and not mix up with the stores transactions of the Undertaking.

7. Office allowance of Mg.agents :-

(a)(i)The Mg.agents have drawn an office allowance of Rs.13,421 while the amount calculated by this office comes to Rs.13,244/-(~~vide Annexure 1(b)~~), the difference of Rs.177 being due to exclusion of following expenses :-

Exclusion of fruits and sweets	1,834
Puja expenses	80
Entertainment charges	1,046
Interest on loan and advances	384
Writes off debited to Repairs accounts	191

These items are not admissible under para XVII(2)(b) of the sixth schedule to the Act.The capital expenditure is the same as that calculated by the Co.(Rs.1,33,563).

(ii)In working out the amount of office allowance the provision of Rs.10,000 made by the Co.as contribution towards gratuity scheme for the retiring staff has been treated as working expenses.

(b)(i)In addition to the office allowance the Mg.agents have debited to the Bel aum License following expenses as head office expenses:-

	Rs
1.Salaries	22,687/12/-
2.Rent,Rates & Taxes	1,326--15-0
3.Printing & Stationery	394. 9.3
4.General expenses	2,320. 7.9
5.Telephone charges	169.14.6
6.Contribution to staff Ins.Fund	981.12.0
	27,881. 6.6

In this connection a reference is invited to the remarks in this office U.O.Reply No.CA /910 dated 14-5-52.

8.Ordinary remuneration of Mg.agents :-

(a)The ordinary remuneration drawn by the Mg.agents is Rs.14,872/- while

while the amount worked out by this office is Rs.14,483. The difference of Rs. 3,89 is explained below :-

	Rs
Arrears of Depreciation taken into account by this office as part of depreciation	4,524
Income from hiring installations excluded by this office	1,562
Sale of wiring	2,114
Refrigerator renewal charges	3
	8,203 (A)
Fruit & sweets excluded by this office	1,834
Entertainment charges	1,046
Puja expenses	80
Writes off debited to Repairs account instead of Contingencies Reserve	191
.do. debited to Generation account	108
Difference in office allowance	177
Depreciation on hiring installation	338
.do. Repairs to .do.	540
	4,314 (B)
(A) - (B)	3,889
10 %	389

Items pertaining to hiring installation have been excluded as they are not part of the electricity business and commisson thereon should have bee deducted from the hiring installation.

For the purposes of calculation of agent's ordinary remuneration income tax of Rs.29 deducted from income from investment has been added to the total income.

(b) The total amount of office allowance and ordinary remuneration payable to the Mg.agents as worked out by this office comes to Rs. 27,727 as against Rs.28,293 actually paid. The Mg.agents have thus been paid an amount of Rs.566 in excess which is due for recovery from them. The Co.may be asked to recover this amount.

9. Depreciation :-

(a) The total depreciation charged during the year amounts to Rs.32604 which includes an amount of Rs.4,524 on account of arrears of depreciation for the year '49-50 as the amount of depreciation according to the compound interest method for the year '49-50 comes to Rs.24,524 whereas only Rs 20000 were charged in the year '49-50.

(b) As pointed out in para 10(b)(i) of the report for '49-50 an amount of Rs.20,333 has been transferred to the general reserve. The Co. may be asked to take action on lines suggested in the previous report and to recalculate depreciation accordingly.

(c) No action has been taken to rectify defects mentioned in para 10(b)(ii),(iii) &(v) of the previous audit report.

(d) In the case of addition to generating plant in '49-50 the life has been taken as 25 years which is different from that prescribed in the table appended to the seventh schedule. The Co. may be asked to calculate depreciation on this asset according to the life prescribed in the seventh schedule.

10. Capital base :-

The capital base for the year comes to Rs.11,50,721 whereas the Co.has taken it as Rs.14,24,269. The difference of Rs.2,73,548 is explained below :-

(1) The Co.has treated the amount of Rs.2,69,082 paid as consideration for the purchase of the going concern as an intangible asset less amount written off Rs.12,810). This is incorrect as already pointed out in para 11(i) of the previous audit report. This item has been excluded from the capital base.

(ii) The Co.has not taken into account the investment from contributuion to the contingencies reserve (Rs.3,053).

(iii) The amount of depreciation actually written off or set aside in the books of the Undertaking excluding the amount of depreciation adjusted in the respect of obsolete assets but including the amount transferred to the General reserve fund (Rs.20,333) has been taken into account in calculating the capital base (Rs.234,572) while the Co.has taken the figure of Rs. 2,14,239 (difference Rs.20,333).

(iv) The Co.has taken closing balance on 31.3.51 for cash and bank balance as Rs.28,397 whereas the correct closing balance is Rs.28,450. The difference of Rs.53 has affected the average balance by Rs.54/-.

(v) While working out the monthly cash balances the Co.has taken the proportionate amount of cash balance in the cashbook of the Amalgamated proper as it is stated that the cash of the Amalgamated proper is also utilised for the transaction of this Co.

(Vi).....

(vi)The Co.may be asked to work out the monthly closing balances of printing & stationery which it has not done during the year under audit.

14. Clear profit :-

The clear profit of the Co.amounts to Rs.105,806.The clear profit as calculated by the Co.comes to Rs.88,782. The difference of Rs.17,024 is due to the fact that expenditure on fruits (Rs.1,834),puja (Rs.80),sundry expenses (Rs.1,046),Interest on loan (Rs.389),Misc.plant and tools charged to repairs and generating expenses(Rs.299)(108 debited to generating expenses plus Rs.191 debited to repairs) amount written off purchase con-sideration (Rs.12,810) and Rs.566 being the difference between the amount of office allowance and ordinary remuneration as calculated by this office and as paid by the Co.has been excluded.

13. Reasonable return :-

(a)The amount of reasonable return for the year comes to Rs.57,556/- as against Rs.71,301 calculated by Co..The difference of Rs.13,745 is due to difference in capital base (Rs.13,677 - 5% of 273,548)and difference in income from investments Rs.68(88 taken by Co.less 20 taken by this office)owing to the fact that income from contingency reserve investments (Rs.68 calculated in the proportion of contingencies reserve investments to total investments has been excluded from reasonable return.

(b)The clear profit (Rs.105,806) exceeds the Reasonable return Rs.57,556 by Rs.48,250 and this excess should have been distributed as under :-

	Rs as ps
1.1/3rd of excess not exceeding 7 1/2% of the reasonable return at the disposal of the undertaking	4,317. 0.0
2.Tarriff & Dividend Control Reserve	21,967.0.0
3.Provision for the distribution of a Proportionate rebate to consumers	21,966.0.0
	48,250.0.0

As the Co.has provided only Rs.6,067 for each of the two reserves at item 2 & 3 above the Co.may be asked to provide for the balance.

15. Contingency Reserve :-

To the opening balance of Rs. 3,053 an amount of Rs.3,020 has been added to the account as contribution for the year's profit.An amount of Rs.88 has been debited to this account being the instalment of losses on assets.The balance in the fund at the end of the year is ,therefore, Rs.5,985.The Co. has shown the various reserves in the Reserve Fund account and exhibited the balance in the Balance sheet.The Co. states that the correct procedure will be followed. Action taken will be seen at next audit.

(ii)Gratuity Fund :-

The Co.has opened an employees' gratuity fund during the year by contri-buting Rs.10,000 out of the revenues of the year. After the payment of grafuity (Rs.50/-)the balance in the fun at the close of the year was Rs.9,950/-.

(iii) The Co.has also created a Tariff and dividend control reserve by transferring Rs.6,067 to that fun from the profit of the year.

(iv)Development fund :-

To the opening balance of Rs.12,296.13.0 an amount of Rs.40,483.9.9 being the receipts during the year of service lines charges have been added to the fund and the balance at the end of the year comes to Rs.52,780.6.9

(v)Consumers' Benefit Reserve fund :-

This fund is created by transferring an amount of Rs, 6,067 to that fund from the profits of the year under para II of the sixth schedule.

16. Depreciation Reserve fund :-

The balance in the Depreciation fund including the amount of Rs.20,333 transferred to General reserve fund amounts to Rs.234,572 which works out to 19.6 per cent of the total depreciable assets of the Co.in its 18th year of working.

17. General Balance sheet :-

1)The sundry creditors on open account viz.Rs 226,873.10.3 includes Rs.83,087.0.9 on account of deposits from the consumers and others with interest thereon.

(ii)The details of Rs,89,076.11.8 shown on the liability side as not pertaining to the licenees' Undertaking are given below :-

	1949-50 Rs	1950-51 Rs
Refrigerators' Rental charges	1,974. 2.6	1,562. 7.9
.do. Renewal charges	29. 0.0	3. 0.0
Profit on sale of wiring	1,146. 7.6	2,114. 5.3
Refrigerators	906.11.9	10. 6.0
Reserve for bad debts	540. 0.0	-
Depreciation on hiring installation	-	5,733. 1.0
Deposits on application	-	1,063. 0.0
Premium on Issue of shares	39,760. 0.0	
Unclaimed dividend	-	19,849.8.0
.do. Preference shares		4,814. 2.0
	44,356. 5.9	35,149.14.0
	79,506. 3.9	

Less		
Hiring Installation repair	1,195.15.3	540. 0.0
Depreciation on Hiring installation	376. 0.0	338. 0.0
Hiring installation	-	8,312. 8.10
	1,571.15.3	9,190. 8.10

TOTAL Rs as per 10,762. 8.1

Therefore Credit side	79,506. 3.9
Debit side	10,762. 8.1
	68,743.11.8
Plus general reserve	20,333. 0.0
	89,076.11.8

16. Statement IX :/ Engery generated sold etc. :-

The percentage of units used on works and those lost in transmi-ssion comes to 8.25% and 9.25% as against 12.01% and 11.1% respectively for the previous year.

17. GENERAL :-

(a) The clear profit viz.Rs.105,806 of the Co.exceeds the reasonable return by Rs.43,250 and this excess works out to 80 % of the reasonable return.The Co.should have taken action to reduce the rates as required by para I of the sixth schedule to Electricity (Supply) Act '48.The Co. may be asked to reduce the rates forthwith.

(b) The balance of stores held by the Co.was over Rs.1,73,000 throughout the year under audit whereas the average monthly consumption of stores is about Rs.30,675.Itwas explained that this balance includes the balance of about Rs.90,000 woth of engine spareparts.The desirability of investigating whether such a large stock of spare is necessary may please beconsidered in consulttion with the Electri-cal Engineer vide WOR No OA/1910 dt 14-5-52.

Even after excluding the balance of engine spare parts the monthly balance comes to over Rs.83,000.Presumably the item of stores which are sold to the Public are included in the above balance.If so, as already pointed out in para 6 above these itemsof stores should be shown separately in the accounts and should notbe mixed up with the transaction of stores pertaining to the Electrical Undertaking.

Srinivas Rao 4/6

ASSTT:EXAMINER,OUTSIDE AUDITS.

4/6

THE AMALGAMATED ELECTRICITY CO.(BEL) LTD

For the year ending 31st March 19 51.

1-Statement of Share Capital appropriated for the purposes of the undertaking authorised by the above mentioned license

Description of Capital	Authorised by	Number of shares issued	Nominal amount of share	Called up per share	Total paid up	Issued not paid up	Remaining unissued	Total amount authorised
Proportionate capital out of total capital of - Rs. 21,25,000/- of The Amalgamated Electricity Co.(Bel) Ltd.	Memorandum & Articles of Association of the company							
6,250-5½% (Free of Income-tax) Cumulative Preference shares of Rs.100/- each fully paid up in cash.			Rs.100/-each.	Rs.100/-each				
1,50,000- Ordinary shares of Rs.10/- each fully paid up in cash.			Rs.10/-each.	Rs.10/-each.	Rs.12,27,500/-			Rs. 12,27,50

C.A.J.

The Amalgamated Electricity Co., (Belgaum) Ltd.,
Per Consolidated Electric Agencies Ltd., Managing Agents.

Managing Director.

THE AMALGAMATED ELECTRICITY CO.(BEL) LTD

For the year ending 31st March 19 51.

1-Statement of Share Capital appropriated for the purposes of the undertaking authorised by the above mentioned license

Description of Capital	Authorised by	Number of shares issued	Nominal amount of share	Called up per share	Total paid up	Issued not paid up	Remaining unissued	Total amount authorised
Proportionate capital out of total capital of - Rs. 21,25,000/- of The Amalgamated Electricity Co.(Bel) Ltd.	Memorandum & Articles of Association of the company							
6,250-5½% (Free of Income-tax) Cumulative Preference shares of Rs.100/- each fully paid up in cash.			Rs.100/-each.	Rs.100/-each	Rs.12,27,500/-			Rs. 12,27,500/-
1,50,000- Ordinary shares of Rs.10/- each fully paid up in cash.			Rs.10/-each.	Rs.10/-each.				

The Amalgamated Electricity Co., (Belgium) Ltd.,
For Consolidated Electric Agencies Ltd., Managing Agents.

Managing Director.

THE AMALGAMATED ELECTRICITY CO.(BEL) LTD. BELGAUM BRANCH. BELGAUM ELECTRIC LICENSE.

For the year ending 31st March 1951

II-Statement of Loan Capital appropriated for the purposes of the undertaking authorised by the above mentioned license

Description of Loan	Amount borrowed at percent	Amount borrowed Total	Remaining borrowing powers	Total amount of borrowing powers
Unsecured.	Rs. 70,261-1-0 Add. 7,260-15-0.	Rs. 77,522-0-0		Unlimited.

The Amalgamated Electricity Co., (Belgaum) Ltd
For Consolidated Electric Agencies Ltd., Managing Agent

Managing Director

Total Shares Capital Paid up Sec. No. I.	Rs.	1,22,7500-0-0
,, Loan ,, borrowed Sec. No. II.	Rs.	7,7522-0-0
Total Capital Received.	Rs.	13,05,022-0-0

RCAJ.

THE AMALGAMATED E RICITY CO.(BEL) LTD. BELGAUM NCH. BELGAUM ELECTRIC LICENSE.

III Capital Account

Dr. *Statement for the year ending 31st March 19* **51**

	Expenditure up to end of previous year.	Expended during the year.	Total expenditure to 31-3-51		Receipts upto end of previous year.	Received during the year.	Total receipts in 31-3-51.
1. To Preliminary expenses (to be specified)				By Ordinary Shares of Rs.10/-each.	12,27,500-0-0		12,27,500- 0- 0
				By Preference Shares of Rs.100/-each.			
				By ~~Debentute Stock~~ Prop.			
2. To lands, including law charges incidental to acquisition.	1,332- 1- 0	-	1,332- 1-0	By Mortgages and Bonds			
3. To Building.	63,269-13-11.	859-14-6.	64,129-12-5	By amounts received in anticipation of calls			
4. To Plant	3,57,388-12-11.	2,736- 3-0.	3,60,124-15-11.	By other receipts (to be specified).			
5. To Mains.	3,66,056- 1-9.	18,919- 7-6.	3,84,975- 8-3.	Unsecured Loans.	70,261-1-0	7,260-15-0.	77,522- 0- 0
6. To service connections.	1,44,334-14-10.	42,967- 2-9.	1,87,302- 1-7				
7. To transformers etc.	11,880-15-9	11,636- 5-0.	23,517- 4-9.				
8. To meters, and fees for certifying under the Act.	61,020- 5-3	45,564-12-0.	1,06,585- 1-3.				
9. To Misc. Plant & Machinery.	36,545-11-9.	3,841- 1-0 - 1,655-15-0	38,730-13-9.				
C.F.	10,41,828-13-2	1,26,524-13-9. - 1,655-15-0.	11,66,697-11-11.		12,97,761-1- 0	7,260-15-0.	13,05,022- 0- 0

The Amalgamated Electricity Co., (Belgaum) Ltd.,
For Consolidated Electric Agencies Ltd., Managing Agents,

Managing Director.

CAJ.

THE AMALGAMAT LECTRICITY CO.(BEL) LTD. BEI BRANCH. BELGAUM ELECTRIC LICENSE.

III. Capital Account (Contd.)

Dr. *Statement for the year ending 31st March 1951.*

	Expenditure up to end of previous year.	Expended during the year.	Total expenditure to 31-3-51		Receipts upto end of previous year.	Received during the year.	Total receipts in 31-3-51.
B/F	10,41,828-13-2	1,26,524-13-9 -1,653-15-	11,66,697-11-11	B/F	12,97,761-1-0	7,260-15-0.	13,05,022-0-0
				By Balance of Capital account		1,66,723- 7-3.	1,66,723-7-3
10 Special items (to be specified)							
11. Govt. Bldg. Wiring.	560- 0-0.		560- 0-0.				
12. Consideration for purchase of going concern.	2,69,081-15-9.	-12,810-0-0	2,56,271-15-9				
13.Furniture & Fixtures.	17,437- 7-7.	3,355-15-0	19,492- 5-1				
		- 1,301- 1-6					
14.Motorcar & Bicycles.	21,563-7- 0.	3,682- 7-0	21,394- 0-6				
		- 3,851-13-6					
15.Belgaum Electric License.	7,699-6- 0.	- 370- 0-0.	7,329- 6-0				
Total Expenditure	13,58,171- 1-6	1,33,563-3-9	14,71,745-7-3		12,97,761-1-0	17,3984-6-3.	14,71,745- 7- 3
To balance of Capital account		- 19,988-14-0					
		1,13,573- 5-9					

The Amalgamated Electricity Co., (Belgaum) Ltd.
For Consolidated Electric Agencies Ltd., Managing Agents.

Managing Director.

THE AMALGAMATED ELECTRICITY CO.(BEL) LTD. BEL____ BRANCH. BELGAUM ELECTRIC LICENSE.

IV Revenue Account

Statement for the year ending 31st March 19 ..

Dr.

A-Generation.		
1. To Fuel	1,62,587-10-0	
2. „ Oil, waste, water, etc.	25,410- 1-3	
3. „ Proportion of salaries of engineers etc.	40,578-14-6	
4. „ Wages & gratuities		
5. „ Repairs and maintenance as follows. ...		
Buildings	678- 7-0	
Plant	4,680- 2-6	
6. „ Special items (to be specified). ...		
	2,33,935- 3-3	
B-Distribution. & Sale of energy.		
1. To Proportion of salaries of engineers, superintendents, and officers ...	9,562-5-6	
2. „ Wages & gratuities		
3. „ Repairs, maintenance & renewals of mains & services.etc. - ...	8,463-12-0	
4. „ Repairs, maintenance & renewals of transformers etc.	105-11-0	
5. „ Repairs, maintenance and renewals of meters etc.	4,759-3-9	
6. " Expenses pertaining to sale of energy.	74,438-14-9	97,329-15-0
Carried forward	3,31,265- 2-3	

1. By sale of energy for lighting purposes ...		2,95,356-11-11
2. „ Sale of energy for power purposes ...		1,02,716-10- 6
3. „ Sale of energy under special contracts, ...		88,312-14- 6
4. „ Public lighting		24,481- 5- 4
5. „ Rental of meters & other apparatus on consumers' permises		11,967- 2- 6
6. „ Rents receivable		121- 3- 0
7. „ Transfer fees		4,520- 0- 0
8. „ Service connections		526- 0- 0
9. „ Miscellaneous receipts		1,520- 8- 0
10. „ Other items (to be specified) ...		
Carried forward		5,29,522- 8- 6

The Amalgamated Electricity Co., (Belgaum) Ltd.
For Consolidated Electric Agencies Ltd., Managing Agents,

Managing Director.

CAJ.

THE AMALGAMATED E TRICITY CO.(BEL) LTD. BELGAU ANCH. BELGAUM ELECTRIC LICENSE.

IV ~~VI~~ Revenue Account-Contd.

Statement for the year ending 31st March 19 51

Dr. *Cr.*

	Brought forward		3,31,265-2- 3		Brought Forward		5,29,522- 8- 6
	C-Public Lamps						
1.	To Attendance and repairs	3751- 7- 9					
2	,, Renewals etc.	1634- 8- 9					
			5,386- 0-6				
	D-Rents, Rates & Taxes,						
1.	To Rents payable	1596-12- 0					
2.	,, Rates & Taxes	523-13- 3					
			2,120- 9-3				
	E-Management Expenses.						
1.	To Directors' remuneration	550- 0- 0					
2.	,, Management	28,293-0-0					
3.	,, General establishment	-					
4.	,, Auditors of Company	1756- 0- 0					
5.	,, Auditors appointed under the provisions of the Act	260- 0- 0					
			30,859- 0- 0				
	F-Law Charges						
1.	To Law expenses	351-12-0	351-12- 0				
	Carried forward		3,69,982-8-0		Carried forward		5,29,522- 8- 6

The Amalgamated Electricity Co., (Belgaum) Ltd.,
Per Consolidated Electric Agencies Ltd., Managing Agents,

Managing Director.

CAJ.

THE AMALGA D ELECTRICITY CO.(BEL) LTD. UM BRANCH. BELGAUM ELECTRIC LICENSE.

IV-Revenue Account-Contd.

Statement for the year ending 31st March 19 **51**

Dr. *Cr.*

Brought forward			3,69,982-8-0	Brought Forward	5,29,522- 8- 6
G-Depreciation.					
1. To Depreciation in respect of leasehold works.					
2. „ Depreciation in respect of buildings ...	840- 0-0				
3. „ Depreciation on plant	12,074- 0-0				
4. „ Depreciation on mains & services.	11,708- 0-0				
5. „ Depreciation on transformers etc. ...	434- 0-0				
6. „ Depreciation on meters	3,402- 0-0				
7. „ Depreciation on general stores ...					
„ Depreciation in respect of any other items.					
8. Motor car & Bicycles.	1,518- 0-0				
9. Misc.Plant & Machinery.	1,798- 0-0				
10. Furniture & Fixtures.	830- 0-0				
		32,604-0-0			
H-Special Charges.					
1. To ...		40 2586-8			
2. „ ...					
1.To Purchase Consideration.	12,810-0-0				
2." Electric License.	370-0-0				
3." Contingency Reserve.	3,020-0-0				
4." Cons. Benefit Reserve.	6,067-0-0				
5." Tariff & Dividend C.Reserve.	6,067-0-0				
		28,334-0-0			
		4,30, 920-8-0			
Total expenditure		98,602- 0-6			
Balance carried to net revenue		5,29,522- 8-6			5,29,522- 8- 6

49-50 50-51

89-00	758-00
1382-00	10692-00
1721-00	9987-00
63-00	371-00
478-00	2924-00
439-00	1079-00
238-00	1560-00
121-00	709-00
45240.0	28880-00

The total depreciation for '49-50

The Amalgamated Electricity Co., (Belgaum) Ltd.,
Per Consolidated Electric Agencies Ltd., Managing Agents.

Managing Director.

CAI.

THE AMALG___ED ELECTRICITY CO.(BEL) LTD. LGAUM BRANCH. BELGAUM ELECTRIC LICENSE.

V-Net Revenue Account

Statement for the year ending 31st March 19 51.

Dr.			*Cr.*		
1. To Interest on debentures accrued due to date			1. By Balance from last account	1,19,401- 4- 11	
2. ,, Interest on mortgages and bonds accrued due to date			Less dividend paid	54,834- 9- 0	64,566-11-11
3. ,, Interest on loans [redacted]	1,083- 0- 0		,, Amount carried to		
4. ,, Dividend on preference [redacted] shares.	19,849- 8- 0		,, Reserve Fund		
5. ,, Income-tax [redacted] estimated. ...	21,516- 0- 0		2. By Balance brought from revenue account (No. IV.)		98,602- 0- 6
6. ,, Balance applicable to dividend on ordinary stock or shares	1,21,364-13- 5		3 By Interest on money at deposit ...		644- 9- 0
	1,63,813- 5- 5				1,63,813- 5- 5

The Amalgamated Electricity Co., (Belgaum) Ltd.
For Consolidated Electric Agencies Ltd., Managing Agents.

Managing Director

CAJ.

THE AMALGAMATED ELECTRICITY CO.(BEL) LTD. BELGAUM BRANCH. BELGAUM ELECTRIC LICENSE.

VI Reserve Fund Account.

Statement for the year ending 31st March 19 51.

Dr.

1. Amount paid out (Items to be specified) ...			1. By Balance brought from last account ...		15,349-13- 0
1. Contingency Reserve.	88- 0- 0		2. „ Amount brought from nett revenue account		
1A. Gratuity Fund.	50- 0- 0		3. „ Interest on amount invested ... (Description of Investments to be specified)		
	80,849-6-9		4. Contingency Reserve.	3,020- 0- 0	
2. Amount of balance to next account ...	1,00,849-6-9		5. Contribution to Gratuity Fund.	10,000 -0- 0	
			6. Tariff & Dividend Control Reserve.	6,067- 0- 0	
			7. Consumers Benefit Reserve.	6,067- 0- 0	
			8. Developent: (service line charges recd. during the year.)	40,483- 9- 9	
	1,00,987-6-9			80,987-6-9	
	80,987-6-9			1,00,987-6-9	
				80,987-6-9	

The Amalgamated Electricity Co., (Belgaum) Ltd.,
For Consolidated Electric Co. (India) Ltd., Managing Agents

Managing Director.

THE AMALGA D ELECTRICITY CO.(BEL) LTD., BELGAUM BRANCH. BELGAUM ELECTRIC LICENSE.

VII-Depreciation Fund Account.

Statement for the year ending 31st March 19 51

To amount written off	...	1,473-14- 9	1. By Balance from last account	...	1,83,108-15- 1
,, balance	... ...	2,14,239- 0- 4	2. ,, Interest on investements.	...	
			3. ,, Amount brought from revenue account (See No. IV-G:). (Description of investments to be specified.) ...		32,604- 0- 0
		2,15,712-15- 1			2,15,712- 15- 1

214-34
2-23
23457-

The Amalgamated Electricity Co., (Belgaum) Ltd.,
Per Consolidated Electric Agencies Ltd., Managing Agents.

Managing Director.

MCAJ.

THE AMALGAMATED ELECTRICITY CO.(BEL) LTD. BELGAUM BRANCH. BELGAUM ELECTRIC LICENSE.

VIII-General Balance Sheet.

Statement for the year ending 31st March 19 51

Dr. Liabilities.		*Cr.* Assets.	
1. To Capital account: amount received as per Account No. III	13,05,022- 0- 0	1. By Capital account: amount expended for works as per Account No. III	14,71,745- 7- 3
2. To Sundry creditors due on construction of plant and machinery, fuel, stores etc.	13,408- 4- 9	2. By Stores on hand	1,96,820- 0- 2
3 To Sundry creditors on open accounts	2,26,873-10- 3	3. By Sundry Debtors	3,12,223-13- 7
4. To Net revenue account: balance at credit thereof ...	1,21,364-13- 5	4. By Preliminary expenses awaiting adjustment ...	-
5. To Reserve fund account: balance at credit thereof ...	~~1,00,849- 6- 9~~ 80,849-6-9	5. By Securities as held (cost price)	3,956- 0- 0
6. To Depreciation fund account	2,14,239- 0- 4	6. By Special items (to be specified)	
7. To Special items (to be specified)		7." Assets to be written off in accordance with clause VII of the sixth shhedule of Electricity (Supply) Act 1948.	248- 0- 0
* 8. Not pertaing to Licences' Undertakings	89,076-11- 8	8." Loose Tools	1,222- 2- 0
		9." Advances.	32,413-10- 3
		10." Interest accured on Investments.	22- 0- 0
		11." Prepaid Expenses.	3,732- 7- 3
		By Cash at Bankers	28,252- 7-10
		" " on hand	197-14-10
Total	20,50,833-15- 2	Total	20,50,833-15- 2

The Amalgamated Electricity Co. (Belgaum) Ltd.,
For Consolidated Electric Agencies Ltd., Managing Agents

Managing Director.

* **Note:** Shown in B/S for the sake of Balancing it.

CAJ.

THE A AMATED ELECTRICITY CO.(BEL) LTD.
BELGAUM BRANCH, BELGAUM.

IX Energy Generated Sold etc.

Statement for the year ending 31st March 1951

Total energy generated in Kilowatt hours.	Kilowatts-Hours sold.					Kilowatt hours used on orks.	Kilowatt hours not accounted for.	Total Kilowatt hours accounted for	Kilowatt connected for public lamps.	Total consumers connected	Total Kilowatts connected	Plant installed Kilowatts	Maximum Supply demanded in Kilowatts.
	Public Lamps	By special contract	Consumers By meter for lighting purposes	Consumers by meter for power purposes	Total								
1	2	3	4	5	6	7	8	9	10	11	12	13	14
2426485	75839	461825	3246 666855 Staff :	90 793626 Staff :	2001481	200405	224599	2201886 2001481	34.249	3690	3108.098	992	795

For THE AMALGAMATED ELECTRICITY CO. (BELGAUM) LTD

Electrical Engineer.

STATEMENT FORM.

1. Company, etc. THE AMALGAMATED ELECTRICITY CO.(BEL) LTD. BELGAUM BR. BELGAUM ELECTRIC LICENSE.
2. Account for year ending. 31st March, 1951.
3. Year of working XVIII
4. Motive power. Diesel Engines.

5.	Total capital expenditure at end of year (*not* Capital of company).	14,71,745- 7- 3
6.	Revenue from electric supply.	5,10,867-10- 3
7.	Revenue from meter rents and other sources (including interest on investments, if any).	19,299- 7- 3
8.	Total working costs excluding depreciation (column 11) but including income-tax from net revenue account.	21516-0-2 3,69,982- 8- 0
9.	Gross profit before providing for interest, depreciation or reserve (columns 6 *plus* 7-8).	1,60,184- 9- 6 1,38,668-9-6
10.	Interest (on debentures and loans) and special charges.	14,263- 0- 0
11.	Depreciation and reserve (for the year). Writing off preliminary expenses included.	47,758- 0- 0
12.	Ditto per cent on column 5.	3.245
13.	Financial result (col 9-10 *plus* 11).	26647-9-6 98,163- 9- 6 26,647-9-6
14.	Ditto per cent on Column 5.	6.669 5.207
15.	Units generated.	24,26,485
16.	Units sold.	20,01,481

COSTS IN ANNAS PER UNIT GENERATED.

17.	Fuel. Rs. 1,62,587-10-0	1.07
18.	Oil, waste, water, engine-room stores, etc. Rs. 25,410- 1- 3	.17
19.	Wages and salaries excluding management (generation, distribution and public lamps together). Rs. 53,892-11-9	.36
20.	Repairs and maintenance (generation, distribution and public lamp renewals when charge on contract rate for current includes renewals). Rs. 20,321-13-0.	.13
21.	Rent, rates and taxes. Rs. 2120-9-3	.01
22.	(*a*) Management, Director's fees, office allowance, salaries (other than in column 10), office and legal expenses. Rs. 1,05,649-10-9.	.70
	(*b*) Incidental and overhead charges (other than capital charges), e.g. depreciation, insurance, income-tax, interest, etc., which cannot properly be included under any of the heads 17 to 21 and 22 (*a*). Rs. 83,537-0-0.	.55
	Note.—All working costs should go under one of these heads, but not capital charges.	
23.	Total working costs (cols. 17 to 22 added.) Rs. 4,53,519-8-0.	2.99

CAJ.

The Amalgamated Electricity Co. (Belgaum) Ltd.,
The Consolidated Electric Agencies Ltd., Managing Agents.

TECHNICAL DATA. 3-1

24.	Kilowatts connected to public lamps.	34.245
25.	Total consumers connected (number).	3690
26.	Total connections, kilowatts.	3108.098
27.	Maximum load on feeders, kilowatts.	775
28.	Maximum Station Load.	792
29.	Plant capacity installed, kilowatts.	992
30.	Average price in annas obtained per unit (col. 6 ÷ 16)	4.0
31.	Percentage of dividend paid per year Preference	5½%
	Ordinary	7½%

32. The type and size of the generating plant with dates of installation thereof.

GENERATORS

1. Metropolitian Vickers 94 KVA .8 P.F. 75.2 K.W. 3 Phase 50-F. 330 V 500 RPM 16.4 Amps, serial No.649212.installed in 1933.

2. Metropolitian Vickers 94 KVA .8 P.F.75.2 K.W. 3 Phase 50-F. 330 V 500 RPM 16.4 Amps. Serial No.649214 installed in 1933.

3. Asea 94 KVA .8 P.F. 75.2 K.W. 3 Phase 50 F 380 V.500 RPM 16.4 G.A. 95 No.677794 Y Connections, 110 V.17.8 Amps.Installed in 1934.

4. Asea No.749687 50 Cycles 175 KVA 3300 Volts 30.8 A 140-4 K.W. .8 P.F. 375 RPM. Installed in 1935 Mag. 110 V 28.7 Amps.

5. Siemens Schukert Generator No.34033546 Type FW 430/A-4-16 3300 V 34.7 198 KVA P.F. .8 375 R.P.M. 50 Cycles 65 V 90 Amps. Installed in 1938.

6. ASEA GA 105 2173938, 225 KVA.0.8 PF.3 Phase, 50 Cycles,600 RPM 3300 Volts, Y 39.4 A Magn. 110V.33.5A, Exciter D.C. Shunt, Generator LB 30 No.2173939, 4 KW.115 Volts, 34.8A. Magn.115 V. 600 RPM. Installed in 1947.

7. MARELLI Generator Siemans 3 Phase ORDEX 2537 No.684756 TIPO sg 13110 D 3 KVA 360 Cose.08 SERU CONTIN Y 3300Volts COASS COIL A 63 Cycles, 50 RPM 600 POL 10ECCIT V/97A 3Z ERCOLE MARELLI & CAS EXCITER MARELLI GENERATOR CORRENTE CONTINUA ORDE/25437 No.684750 Type MCL26A KVA 5.62 VI25 A45 M600.

PRIME MOVERS.

1. S.L.M. 138 B.H.P. installed in 1933.
2. S.L.M. 138 B.H.P. installed in 1934.
3. S.L.M. 127 B.H.P. installed in 1933.
4. S.L.M. 230 B.H.P. installed in 1935.
5. Siemens 250 B.H.P. installed in 1938.
6. S.L.M. 265 B.H.P. installed in 1947.
7. S.L.M. 8366 Type 5VD 26T 396 B.H.P. with Turbo Blower 600 RPM (1948) installed in 1950.

33. The nature of the supply :—

(a) Generation, voltage, frequency, etc.	A.C. 3300 Volts 50 Cycles.
(b) Distribution, voltage, frequency, etc.	A.C.3300 & 400/230 V 50 cycles.

The Amalgamated Electricity Co. (B'pore) Ltd.,
For Consolidated Electric Agencies Ltd., Managing Agents,

Dirs

Reply to be addressed to

THE EXAMINER, OUTSIDE AUDIT DEPARTMENT.
Branch Office o The Accountant General, Bombay
1 Universal Assurance Building, 4th Floor,
Sir, P. M. Road, BOMBAY No. 1

No. OA/ 3114.

To
The Secretary to the Government of Bombay,
Public Works Department, Bombay.

Sub:- Report on the audit of the accounts of the Belgaum Electric License for the year ended 31-3-51

Sir,

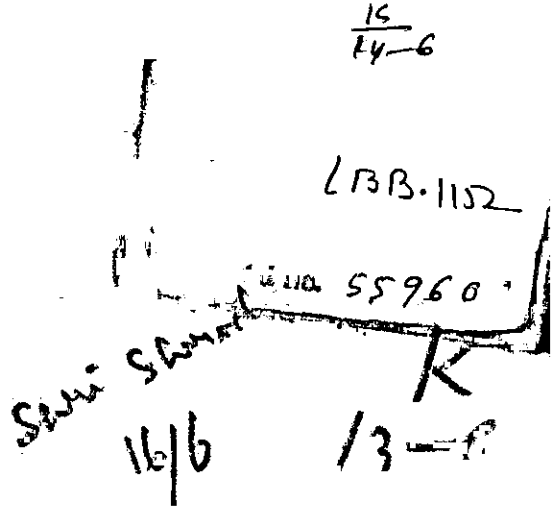
I am to forward herewith the report on the audit of the accounts of the Belgaum Electric License for the year ended 31-3-51 and to request that extract of paras 3(iv)(vi)(vii), 4(iv),6, 7(a)(i), 8, 9(b)(c)(d), 10, 11, 12, 13, 17(a) may please be forwarded to the management for information and necessary action.

Special attention of Government is inivted to para 17(b).

Yours faithfully,
Srinivas
Asstt. Examiner, Outside Audits

No. OA/.
4th June 1952

Copy together with a copy of the audit report forwarded to:-
(1)The Electrical Engineer to the Government of Bombay.
(2) The Senior Auditor with a set of a/cs at the next audit.


15
14-6
LBB.1152
55960
16/6
13-f

L13 LBB1152/5596

P. W. Department.

Submitted.

~~The~~ st~~atements~~ ~~of~~ accounts ~~of the~~ Undertaking ~~for the year~~ ~~ended~~ together ~~with the audit~~ report thereon, ~~may in the first instance be shown~~ ~~to. to the Hr. Engr. to~~ Govt. ~~for~~ information ~~and~~ remarks, ~~if any.~~

·x· Issued under S.L. No. LBB1152/k, dt/ 6-52.
20/6/52.

VMN.
1/3/52.
T-3 ...

Issued
21-6-52
pcA
A.A.S.

·x· 3 The usual memo, calling for the EE. Engr's remarks, put up for signature may issue.
EA
20/6/52.

A.A.S. has signed the draft.
AAS
20/6

Put up (23-
23/6

1 Cpy. originals in file LBV 1152/5379.

THE AMALGAMATED ELECTRICITY CO.(BELGAUM),LTD.

Ref.No.AMAL/G-2/52. Bombay 17th January.1952.

The Asstt. Secretary to the Govt.
Bombay,
Public Works Department,
B O M B A Y.

Dear Sir,

Original

Ref: Your circular letter No.ACP 2051-K of 8th instant.

Re: Statements of Accounts for the year ended 31st March 1951 of Belgaum Bhiwandi and Bulsar Electric Licenses.

The above statements are in preparation and the same will be submitted before the end of this month.

Belgaum accts

Yours truely,

Sd/-

Managing Director.

S.BVC.
29/1/52.

LBB
~~EBR~~/1152 2 46

KBR PWD.

Await.

2/2/52.

2/2/52

Supdt.

2/2/

47

LBB 1152

PWD.

ICBr.

Resubmitted.

2. This may be refd. wo to the A.G., B'bay, with a request to state whether the accounts of the Belaum undertaking for the year ended 31.3.51 have been recd. in his office, and if so, when the audit report thereon may be expected.

ACCOUNTANT GENERAL'S OFFICE
22 APR 1952

458 OAD

16/4/52.

16/4/52

U/S.

wo.

Ltr. to the AG, Bombay, d. the 18-4-52.

17/4/52

17/4

LBB 1152/41680

4 8

O.A.D., A.G's office, Bombay.

Returned with compliments.

The annual statements of accounts of the Belgaum Electri License for 50-51 have been received in this office and the audit has also been completed. The audit report will be forwarded to Government shortly.

B. D K

Asstt.Exmr.O.A.D.

U.O.R.to Government in the P.W.D.,Bombay.

No.O.A/ 1272 29-4-52

K Be P.W.D.

Submitted with reference to the O.N. overleaf.

2/- Receipt of audit audit report from the A.G., Bombay may be awaited.

25-52

Shri P 10/6

3/5

HAS. 2 Gms P

1/5 1.5.52

P. W. D.
File No. LBB 1152
Serial No. 41680

5 49 LBB 1152/41680

KBr

please

The AE, Bombay ~~Extt~~ expedited order

No. LBB 1152-K, dated the 12-6-52

12/6/52

ASB
12/6

Submitted
12 6 52

Awaiting (1-8-52)
12/6

Issued
12/6

Telegraphic Address—ACCOUNTS.

A. G. 37(6).

No. OA/ 3844

It is requested that in future communications on the subject, the No. and date of this letter, and the distinguishing letters (above) the No. as given opposite, may be quoted, *and the reply addressed to—*

THE ACCOUNTANT GENERAL
QUEEN'S ROAD, BOMBAY.

Bombay dated to- 26-6-1952

THE EXAMINER, OUTSIDE AUDIT DEPARTMENT.

Branch Office THE ACCOUNTANT GENERAL,
Universal Assurance Building,
Sir, P. M. Road, BOMBAY No. BOMBAY.

To

The Secretary to Govt of Bombay
P.W.D. Bombay

SIR, Subj. Annual Statements of accounts of the Belgam Electric License

Ref :- L. Card No. LBB 1152 dated 12/6/52

The report on the audit of the accounts of Belgam Electric License for the year ended 31-3-51 was forwarded to Govt. under this Office No. OA/ 3114 dated 11-6-52

B. J. Ramaiah
Asst. Examiner
for Outside Audit

LBB.1152/60165

K-Br

P.W.D.

The Audit Report has been received and the remarks of the Sl. Engineer called for. P.L.3

The receipt of the same may be awaited

11-11

9/7/52

ABB
10/7

Supdt

Asstt
10/7

Supdt

23/9

K.Br

The Sl. Engr. to Govt. P.W.D. Issued 19/8/52 pm

expedited under No. LBB 1152/K, dt. 19-8-52.

18/8/52

ABB
19/8

LBB 1152

Supdt

60165

K. Br.

Ltr. Rl. Engineer to GovA. expedited

under No. LBB 1152K dt. 26-9-52

24/9/52

ABB
25/9.

Suptdt.

Issued
24/9/52 AM

Supdt

K Br.

25/9
P. W. D.

Ltr. Rl. Engr. to GovA. expedited

under No. LBB 1152K dt. 3-11-52

ISSUED
3-11-52 N

1/11/52

ABB
1/11

Supdt.

1/11

K.Br.

53 P.W.D LBB 1152
6.0/65

the El. Engineer to Govt. expedited
under No. LBB 1152K dt 26-9-52

Received
24/9/52
Supdt

ABB
25/9

Supdt

25/9
P.W.D

K Br.

The El. Engr. to G.A. expedited
under No. LBB 1152K dt. 3-11-52

ISSUED
3/11/52

Supdt.

ABB
1/11

LBB-1152/60165

P. W. D.

K.

The El. Engr. to Govt has been expedited under G.M. No. LBB-1152-K. dt the 9th Dec. 1952

ISSU
9/12

8/12/52

ABS
9/12

57

No. LA12/12849

P.W.D.Offices, Churchgate Street,
Fort, Bombay. 11th Dec. 1952.

To.

The Secretary to the Government,
Public Works Department, Bombay.

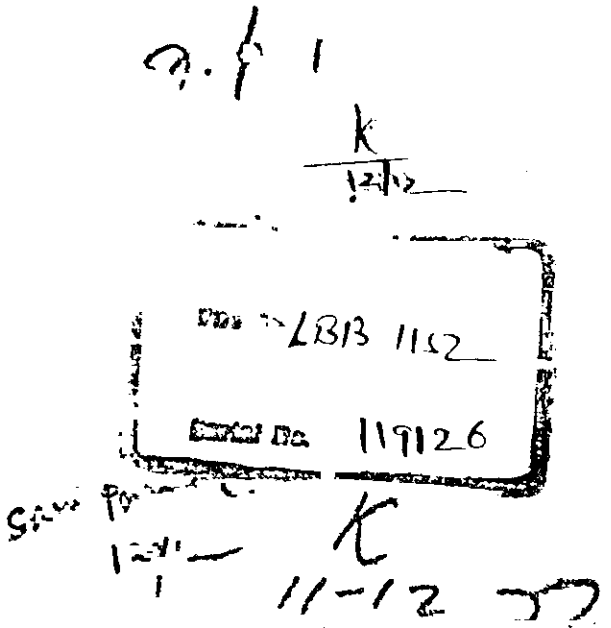
Subject:- Report on the audit of the statements of accounts of the Belgaum Electricity Undertaking for the year ended 31-3-1952.

Reference:- Govt. Letter No.IBB 1152-K, dated 21-6-1952.

Extract paras 3(iv) (vi) (vii), 4 (iv), 6,7 (a) (i) 8,9(b) (c) (d), 10 11, 12, 13, & 17(a) of the audit report may be forwarded to the managiment for information and necessary action.

2. As regards par 17 (b) of the audit report attention is invited to para 4 of this office No.LA 12/12437, dated 4-12-1952.

Electrical Engineer to Government.



57

α BB 1152/119126

K. Br.

B. 50

Submitted with ref. to o.n. dt the 20-6-52 — ✗.43

2. The El. Engrs letter ✗.55 dt 11-12-52 may kindly be seen. As agreed by him the extract paras refd to by the Examiner O.A. in his letter ✗.41 dt. the 11-6-52 may be forwarded to the Co. for information & necy action.

3. Regarding para 17(b) ✗.11 of the audit report, pl. see El. Engrs No. ✗ LA 12/12437, dt 4-12-52. In view of his remarks, no action seems to be necy. on this reference. The draft post-up. may issue if approved — ✗.59

26/12/52

20/12/52

X Shk. 'A'
File No LBB 1152 IK
Kept below.

A.S. (III)

No LBB No 2 K

57

P. W. D.
B. C. (Abstract No. 1)
29th December 1952

To

The Managing Director
The Amalgamated Ely. Co. (Belgaum) Ltd
Belgaum Branch,
17/B Elphinstone Circle,
Fort, Bombay No. 1.

Subject: Accounts for the year ended 31-3-51

Sir,

I am directed to forward herewith for information and necessary action the extract paras 3 (iv) (vi) (vii), 4 (iv), 6, 7 (a) (i), 8, 9 (b) (c) (d), 10, 11, 12, 13, and 17 (a) of the audit report on the accounts of your undertaking for the year ended 31st March 1951.

Yours faithfully,

D. A.: Extract paras refd to.

Asst Sect. etc.
P. W. D.

Copy forwarded to —

the Examiner, outside Audit Deptt, A. G's office with ref. to his letter No OA/3114 dt the 11-6-52.,

the El. Engr to govt. with ref. to his letter No. LA 12/12549, dt the 11th Dec. 1952.

26/12/52

61

No. LBB 1152 K.

Public Works Department,
Bombay Castle (Bombay No.1),
29th December 1952.

From

The Assistant Secretary to the Government of Bombay, Public Works Department.

To

The Managing Director,
The Amalgamated Electricity Company (Belgaum) Limited, Belgaum Branch
17-B Elphinstone Circle, Fort,
Bombay No.1

Subject:- Accounts for the year ended 31st March 1951.

Sir,

I am directed to forward herewith for information and necessary action the extract paragraphs 3(iv)(vi)(vii), 4(iv), 6, 7(a)(i), 8, 9(b)(c)(d), 10, 11, 12, 13 and 17(a) of the audit report on the accounts of your undertaking for the year ended 31st March 1951.

Yours faithfully,

Assistant Secretary to the Government of Bombay, Public Works Department.

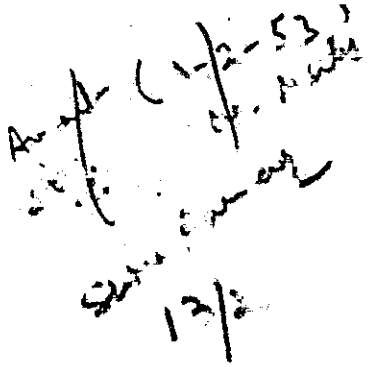
D.A.: Extract paras. referred to.

4.VEP.29/12/52.

Copy forwarded to -

the Examiner, Outside Audit Department, Accountant General's office with reference to his letter No.OA/3114, dated the 11th June 1952,

the Electrical Engineer to Government with reference to his letter No.LA 12/12849, dated the 11th December 1952.



LBB 1152/119126.

b.w.o

ok. Rz.

The Supply Co. expedited under No LBB1152K dt. the 20th February 1953

19/2/53

ABB
20/2

20-2-53

Supdt.

63

Telegrams: "CONELECTRO" Telephones: 32880-32889.

The Amalgamated Electricity Co., (Belgaum) Limited.

Belgaum Branch.
Managing Agents:
THE CONSOLIDATED ELECTRIC AGENCIES LTD.
Controlling Power Stations:-
AJMER · BELGAUM · BULSAR · BHIWANDI · BHUSAWAL · CHALISGAON · DOHAD · JALGAON · MALEGAON
Post Box No. 879, 17-B, HORNIMAN CIRCLE,
FORT, BOMBAY.

Ref. AMAL/BEL/G-3/53. 5th March, 1953.

The Assistant Secretary to the Govt. of Bombay,
Public Works Department,
B O M B A Y.

Dear Sir,

Ref: Your letter No. LBB 1152K of 29-12-52.
Re: Accounts for the year ended 31-3-1951.

With reference to your above, we give hereunder the detailed information, which we hope will meet with your requirements:

Para 3 - Capital Account (iv): The interest on Plant Capital Account is due to the reason that additions in the preceding year to Plant Capital amounted to Rs. 1,40,512/-. This amount included the borrowed amount on which interest has been paid in the year. The assets have been brought into use during the current year and till the same have been brought into use, the interest for the period has been capitalized. The same is Rs. 1,052-4-0 and therefore it is in order.

vi : Inspection fees are not normal expenditure of repairs nature but it is a part of original cost of the Assets which have been incurred prior to bringing the Asset in the beneficial use as defined in Clause XVII 6(a) and hence the debit of inspection fees for the -- first time for a new service to capital account is justified.

vii : We have carried out the necessary corrections in the year 1951-52 and the accrued depreciation has been accounted. There are - small items of loose tools which were debited to Misc. Tools & Implement a/c before the commencement of the Act but after commencement of the Act we have opened a separate loose Tools Account and we are not charging any depreciation on the small items but are debiting them to Repairs Account directly as and when they become unserviceable. Similarly the old items which were appearing in Misc. Tools & Implements are being accounted according to above procedure after considering the accrued depreciation and as such the debit of Rs. 191/- to Repairs a/c and Rs. 108/- to Generation Expenses Account is in order.

4 - Statement IV Working Expenses : The items mentioned in this para are admissible under 17(2)(b)(ii) Dist. and sale of energy as we are required to spend some amount on entertainment to promote the business of electricity.

6: There is no such expenditure incurred on sale of stores and normally there is no such stores earmarked for sale and hence it is not necessary to show the same separately.

7. a(i) : In view of our reply to your Para No. 3(vii) & 4(iv), the office allowance of Mg. Agents calculated by us is correct. -- Interest on loan and advances is an expenditure and it has been accounted under clause 17(2)(b) XI.

8 - Ordinary Remuneration of Mg. Agents :- Arrears of Depreciation Rs. 4,524/-: The same refers to special appropriation for -- arrears of Depreciation of previous years and therefore it is not part and parcel of the expenditure of the current year and so it could not be deducted as an expenditure in arriving at the net profit for calculating Agents' Commission.

As regards the commission on Hiring Installation included in the Working Sheet, we regret, it is a clerical error. We shall carry out -- necessary corrections in the current year's accounts.

In view of above explanation no excess amount has been paid to Mg. Agents but the only change will affect the reserves.

9(b) - Depreciation: The transfer of excess of depreciation to General Reserve, in this connection we have to state that the amount of Depreciation accounted as per Schedule 6(i) of the Electricity (Supply) Act, 1948, has been retained and the excess of Rs. 20,333/- has been -- transferred to General Reserve as permitted by the profits of the previous years. Act regulates the working of the Undertaking from the date of commencement of the Act for future years and not that of past.

(c) : We have done the needful in the matter.

(d) : We have calculated the depreciation as desired, as per the Act.

10 - Capital Base :- Please refer our reply to Para 11 of previous audit report vide our letter No. AMAL/BEL/G/2/53 of 20th Feb.53.

(ii) : We shall take the investment in capital base and shall do the necessary changes in the current year.

(iii) :- In view of our explanation as regards transfer of -- excess of Depr. to General Reserve, we cannot deduct the same from the capital base.

(iv) : The difference of Rs. 4/- average pointed out is negligible; however, we shall take the same into consideration during the current year along with the changes we are going to make as stated -- above.

VI :- We have noted the requirements as regards printing and stationery stock and we have taken average monthly balances now.

1.9

11 : Clear profit :- In view of our reply for the items mentioned in this para we do not agree with exclusion of these items from total expenditure.

1.9

12 - Reasonable return :- The position as mentioned by you in this para does not arise in view of our reply to your various items of queries.

As regards difference of Rs. 20/- in the interest we are taking investments for the purpose of R/R and adjustment shall be done in -- accordance with the same.

1.9

13 - Contingency Reserve :- Noted. We shall do the needful hereafter.

1-11

17 - General :- Our clear profit does not exceed the limits prescribed in the sixth schedule of the Electricity (Supply) Act, 1948, and as such we cannot reduce our rates as suggested by you. However, after looking to current year's position if there would be any necessity of adjustment, we shall do the needful.

We hope the above information and explanations will be found satisfactory.

Yours truly,
The Amalgamated Electricity Co., (Belgaum) Ltd.,
For Consolidated Electric Agencies Ltd., Managing Agents,

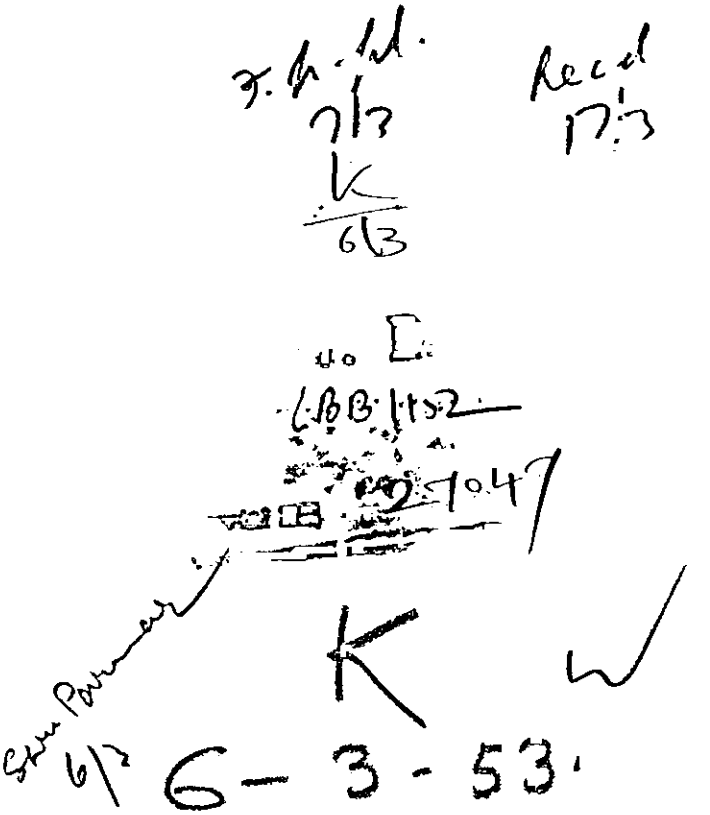
Managing Director.

VR. N7

C. C. to:

1. The Asst. Examiner, Outside Audit Dept.,
   Accountant General's Office, Bombay.

2. The Electrical Engineer to Govt. of Bombay,
   P.W.D., Bombay.



69 LBB 1152/27047

K. Bo. P. W. D.

Submitted with ref. to G. L. dt. the 29-12-1952 A. 61

2. Pl. see the Supply Co's letter ~~A~~ 63-67 within. The Supply Co. has forwarded a copy of its ~~A~~ 63-67 letter to the S. O. A. and El. Engr. to Govt. The remarks of these officers re the matter may be called for as per draft put up for approval A. 71

18/3/53 18/3/53

A. S. (III)

No. LBB 1152K 71

P. A. D.
B. C (Belgaum)
19th March 1953

To

The Examiner Outside Audit Deptt.,
Bombay.

Subject: Accounts of the Belgaum Ely. Undertaking for the year ended 31-3-51

Ref: G. E. No. LBB 1152K, dt. the 29-12-52 H.61.

2. I am directed to invite attention to letter No. AMAL/BEL/4-3/53, dt. the 5-3-53 (H.63-67) on the subject mentioned above from the Mg. Director, the Amalgamated Ely. Co. (Belgaum) Ltd., Belgaum Branch, addressed to Govt. and copy endorsed to you, and to request you to submit your remarks thereon, if any, through the El. Engr. to Govt.

By order etc.

Asst. Secy. etc.,
P. W. D.

D. A.: Nil.

Copy forwarded to the El. Engr. to Govt. in continuation of G. E. No. LBB 1152K, dt. the 29-12-52. H.61

2. The El. Engr. should forward his remarks in the matter on receipt of the remarks of the E. O. A. D.

18/3/53

73

Letter.

No.LBB 1152 K.

Public Works Department,
Bombay Castle (Bombay No.1),
19th March 1953.

To

The Examiner, Outside Audit Department,
BOMBAY.

Subject:-Accounts of the Belgaum Electricity Undertaking for the year ended 31st March 1951.

Reference : Government Endorsement No.LBB 1152 K,dated the 29th December 1952.

2. I am directed to invite attention to letter No.AMAL/BEL/G-3/53, dated the 5th March 1953, on the subject mentioned above from the Managing Director, the Amalgamated Electricity Company(Belgaum),Limited, Belgaum Branch, addressed to Government and copy endorsed to you and to request you to submit your remarks thereon, if any, through the Electrical Engineer to Government.

By order and in the name of the Governor of Bombay,

Assistant Secretary to the Government of Bombay,
Public Works Department.

D.A.Nil.

Copy forwarded to the Electrical Engineer to Government in continuation of Government Endorsement No.LBB 1152 K,dated the 29th December 1952.

2. The Electrical Engineer should forward his remarks in the matter on receipt of the remarks of the Examiner, Outside Audit Department.

S/Vm/19.3.

75

Telegraphic Address—ACCOUNTS. A. G. 37(6).

No. O.A/C/42

It is requested that in future communications on the subject, the No. and date of this letter, and the distinguishing letters above the No. as given opposite, may be quoted *and the reply addressed to*—
THE ACCOUNTANT GENERAL, QUEEN'S ROAD, BOMBAY.

Reply to be addressed to:- Bombay 19
THE EXAMINER, OUTSIDE AUDIT DEPARTMENT,
Branch Office of The Accountant General, Bombay,
Universal Assurance Building, 4th floor,
Sir P. M. Road, BOMBAY No. 1

To
The Asstt.Secretary to the Govt.of Bombay,
P.W.D.Bombay.

6 Apr. 1953

Sub:- Accounts of Belgaum Electric Undertaking for the year ended 31-3-51.

Sir,

Ref:- G.L.P.W.D.LBB/1152K dt.19-3-53.

The further remarks of this office on the Company's replies contained in the letter No.Amal/Bel/C.3/53 dt. 5-3-53 has incorporated in para 3 of the audit report for 51-52 which has been forwarded to Govt.P.W.D.under this office No.OA/Bel/21837 dt.28-3-53.

For (J.S.DESH PANDE)
Asstt.Examiner, Outside Audits.

No.O A/
Copy forwarded to Elect.Engineer to Govt.of Bombay.

77 LBB1152/29850

K.Bo. B.W.D.

Submitted with ref. to G.L. dt. the 19-3-53. 63-67

2. As the remarks offered on the Supply Co's letter dt. 5-3-53 have been incorporated by the E.O.A. in the audit report for 1951-52 no further action appears to be necy. on these papers.

16/4/53

AAO 16/4

fch 16/4

Supdt.

* for further disposal, vide No. LBB1153-29850